

Before the
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Competitive Product Prices
First-Class Package
First-Class Package Service Contract 33

Docket No. MC2013-23

Competitive Product Prices
First-Class Package Service Contract 33
(MC2013-23)
Negotiated Service Agreement

Docket No. CP2013-31

PUBLIC REPRESENTATIVE COMMENTS

(December 26, 2012)

The Public Representative hereby provides comments pursuant to Order No. 1585.¹ In that Order, the Commission established the above referenced docket to receive comments from interested persons, including the undersigned Public Representative, on the Postal Service's Request to add First Class Package Service Contract 33 to the competitive products list within the Mail Classification Schedule.

Discussion

The Public Representative has reviewed the Postal Service's Request Attachments and reviewed the supporting financial models filed under seal in the instant dockets. Based upon that review, the Public Representative concludes that the First-Class Package Service Contract 33 is expected to satisfy the requirements of section 3633(a) concerning rates for competitive products.

The Postal Services demonstrates that the rates in the First-Class Package Service Contract 33 are expected to conform with to 39 U.S.C 3633(a). First-Class Package Service Contract 33 is expected to cover its attributable costs and make a

¹ PRC Order No. 1585, Notice and Order Concerning the Addition of First-Class Package Service Contract 33 to the Competitive Product List

positive contribution toward to covering institutional costs. The Postal Service also contends that there will not be cross product subsidization by market dominant products. Additionally, the First-Class Package Service Contract 33 fulfills the quarterly reporting required in the Governor's Decision No. 11-6.

The Public Representative is concerned with the Postal Service's decision to exempt the NSA partner from DMM 433.1.5.b. This exception eliminates the customer's requirement to apply intelligent mail barcodes (IMb) to packages. First-Class Package Service Contract 33 does not provide reasoning for the exemption. Given the contract is for one year, the Public Representative would like to see the Postal Service encourage compliance with DM 433.1.5.b with any potential contract renewal.

Conclusion

The pricing in the present First-Class Package Service Contract 33 appears to comply with relevant provision of Title 39. The Public Representatives respectfully submits the aforementioned comments for the Commission's consideration.

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For Docket Nos.
MC2013-23 and CP2013-31

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